



Report of the Audit Committee

of Graphisoft Park SE Ingatlanfejlesztő Európai Részvénytársaság

(1031 Budapest, Záhony utca 7., Cg.:01-20-000002, hereinafter as: “Company”)

for the General Meeting and Board of Directors of the Company

The Audit Committee of Graphisoft Park SE evaluated the business activity of the Company during year 2018 and based on this it submits the following report for approval.

1. The Audit Committee and members thereof liaised with the managers of the Company on a regular basis; the Audit Committee monitored and continuously kept track of the activities of the Company and its subsidiaries, in particular the key business procedures of Graphisoft Park SE during the year (changes of Act 102 of 2011 on regulated real estate investment companies, ongoing investments, refinancing, introduction of GDPR) and these activities and procedures have been presented in the Company’s reports continuously and appropriately. The management of the Company provided information to the Audit Committee and its members on a regular basis about the developments in terms of the economic activities and results of the Company.

2. The Audit Committee reviewed the report on the management, financial situation and business policy of the Company (the business report), to be submitted to the General Meeting by the Board of Directors. The Audit Committee declares that the report provides true and accurate information. The report does not neglect or withhold any facts or circumstances known to the Audit Committee that have significance as far as the decision-making of the shareholders is concerned.

Having regard to these facts, the Audit Committee proposes to the Board of Directors to submit the report to the General Meeting and also that the General Meeting should approve such report.

3. The Audit Committee has reviewed the annual statements for 2018 prepared according to the IFRS (individual) and the consolidated annual statements prepared according to the IFRS submitted by the management and found that the data and findings of these statements are well-founded and true, hence the statements reflect the financial results of the Company for year 2018 as well as the quantitative and qualitative changes in its assets.

Having regard to these, the Audit Committee proposes to the Board of Directors to submit the annual statements to the General Meeting and also that the General Meeting should approve these annual statements.

4. At the request of the Board of Directors, the Audit Committee examined the proposal of the Board of Directors on allocation of the profit after taxation. The Audit Committee found that there are no legal or accounting obstacles preventing the payment of the proposed dividend, and the financial standing of the Company allows payment of the dividend, and the proposal is in compliance with the requirements of Act 102 of 2011 on the regulated real estate investment companies.



5. The Company conducted a tendering process in 2018 upon the recommendation of the Audit Committee for the selection of the new auditor. Following the tender the Audit Committee submitted its proposal for the Annual General Meeting – 2018. The General Meeting adopted the proposal and appointed BDO Magyarország Könyvvizsgáló Kft (1103 Budapest, Kőér u. 2/A, C ép., CHA reg. no.: 002387) as the auditor of the Company, for the period starting on the day of the General Meeting and ending on May 31, 2019. The auditor's compensation was determined at 16,000 EUR + VAT (audit services covering the individual and consolidated annual reports).

Given that during the tender in 2018 the Company requested proposals for 1+1 year and given that BDO Magyarország Kft has offered the same conditions for the prolongation, **the Audit Committee recommends the re-appointment of BDO Magyarország Könyvvizsgáló Kft for the period starting on the day of the General Meeting and ending on May 31, 2020.** The auditor's compensation is recommended to be determined at 16,000 EUR + VAT (audit services covering the individual and consolidated annual reports), under the same conditions and following the same reasoning.

Detailed reasoning: BDO Magyarország Kft has submitted the most favourable offer in its entirety in the selection process. BDO Magyarország Kft is the largest Hungarian owned auditor and consultancy firm operating in Hungary. It fulfils over 2200 contracts yearly, commissioned by manufacturers, trading companies, service providers, financial institutions and lenders; it employs over 200 professionals in its Budapest office and reached a 2.5 billion HUF turnover in 2016. The company has offered to provide services to the entire Group at the contract fee of 29,050 EUR + VAT per annum.

The Audit Committee proposes PricewaterhouseCoopers Könyvvizsgáló Kft (1055 Budapest, Bajcsy-Zsilinszky út 78., auditor permit no.: 001464) as a second alternative to the General Meeting's consideration. PricewaterhouseCoopers Könyvvizsgáló Kft offered to render services to the entire Group for a 35,000 EUR + VAT contract fee in the first year and for 39,000 EUR + VAT in the second year.

6. In addition to the aforementioned, the Audit Committee has no knowledge of any events or issues regarding year 2018, of which the General Meeting should be informed, or regarding which a resolution should be passed.
7. The Audit Committee establishes that during 2018 it has duly fulfilled its duties specified under Article 3:27 of the Civil Code and Section 19.1 of the Articles of Association.

Budapest, March 22, 2019

Dr. János KÁLMÁN
Chairman of the Audit Committee